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FISCAL IMPACT STATEMENT

LS 6522

BILL NUMBER: SB 140

NOTE PREPARED: Dec 14, 2007

BILL AMENDED:

SUBJECT: Tort Claims Against Governmental Entities.

FIRST AUTHOR: Sen. Bray

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that for purposes of the laws concerning tort claims against governmental entities and the Political Subdivision Risk Management Fund, an act or omission from which the liability of a governmental entity arises includes any related acts or omissions regardless of the number of injuries sustained by a person.

Effective Date: July 1, 2008.

Explanation of State Expenditures: This bill could decrease expenditures for state and local units arising out of tort claims against the state or local unit. The amount of the impact is indeterminable and will ultimately depend upon the decrease in the number of claims that may be initiated against governmental entities due to the definition of act or omission contained in this bill. There is a statutory cap on the amount of money that may be recovered by a person that has suffered injury due to the act or omission of a governmental entity. Therefore, if the number of possible claims is decreased, the total amount for which a governmental entity may be liable will be decreased. The decreased liability could result in savings for state and local units through decreased expenditures for insurance premiums, settlement amounts, and judgment awards.

This bill defines “act or omission” for purposes of the tort claims act and claims against political subdivisions covered by the Political Subdivision Risk Management Fund. The bill provides that an “act or omission includes any related acts or omissions regardless of the number of injuries sustained by a person.” It is estimated that this definition will preclude a person from initiating separate claims for incidences that may be considered an act or omission under the definition in the bill.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

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